BULI RAMAIAH): (a) and (b) Export promotion is a continuous and sustained process and steps are continuously being taken by the Government to promote exprots through policy and promotional measures. The export growth rate during 1995-96 was 20.8% and satisfactory. Only during 1996-97 the rate of growth was 4.1 % which was below the target. This was due to many factors international as well as domestic. The new Exim Policy 1997-2002 has been formulated with a view to carrying forward the process of dismantling and rationalising regulatory policies which hindered promotion of exports. Efforts are being made to simplify/ reduce procedures and to create a hastle free environment for the exprting community. Based on interaction with trade and industry, steps are being taken to improve export growth.

(c) and (d) As a part of export promotion strategy, it has been decided to set up an Export Promotion Board under the Chairmanship of Cabinet Secretary to address inter-ministerial issues and resolve the same. This effort is expected to remove the irritants to exports and to put exports on a high growth path. Regular meetings are being held with various export promotion councils, commodity boards, trade and industry to evolve measures to achieve a high growth for exports. A medium term strategy is being drawn up based on analysis of data and interaction with trade and industry.

Import of Rice

669. DR. MOHAN BABU : Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to import rice as reported in the 'Hindustan Times' dated 30.5.97;

(b) if so, the reasons therefor; and

(c) remedial steps taken to boost production of rice?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BAULI RAMAIAH) : (a) and (b) Import of common/coarse varieties of rice and rice with 50% or more broken has been permitted freely after review of the emerging trends in supply and stock of rice by the Government with effect from 27.5.97.

(c) Some of the measures taken to increase production and productivity of rice are the implementation of the following Centrally Sponsored/Central Sector schemes:—

(1) Integrated Cereals Development Programme in Rice Based Cropping System Areas (ICDP-Rice)-assistance is being provided to the farmers for the use of certified seeds of high yielding varities and improved farm implements including sprinkler sets and power tillers. Besides, assistance is also provided for encouraging the use of green manure and soil ameliorants.

(2) Central Sector Rice Seed Minikit Programme including propagation of improved crop production technology—seed minikits of Rice are provided to the farmers at nominal cost for propagation of new varities with biotic and abiotic resistance and also for organising trainings by the Agricultural Universities/ICAR Reasearch Institutions to the State/District Level Agriculture Officers for dissemination of improved crop production technology.

Setting up of High Powered Export Promotion Board to promote Exports

670. SHRI KRISHNA KUMAR BIRLA : Will the Minister of COMMERCE be pleased to state :

(a) whether country's export performance during the past few months have fallen considerably;

(b) if so, the reasons therefor;

(c) whether the Prime Minister has ordered setting up of a High Powered Export Promotion Board to resolve Inter-Ministerial problems related to export sector;

(d) if so, the details of problems faced by exporters; and

(e) to what extent the recent steps of Government will boost export performance?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA

BULI RAMAIAH) : (a) Sir Exports during 1996-97 are estimated at US $ 33106 million representing a growth in dollar terms of 4.12% over the exports valued at US $ 31797 million during the corresponding period of last year. India's exports during April-May, 1997 are estimated at US $ 5401.41 million which is 1.98% lower than the level of corresponding period last year. There is a slow down but the growth is sustained on a higher basis.

(b) A slow down in exports during 1996-97 is to be viewed in the context of a substantial slow down in world trade at 4% growth during 1996 as compared to 19% growth in 1995, low/ negative import growth in India's major trading partners, a paradigm shift in demand for soft goods exported by India, sector-specific issues affecting gem & jewellery, leather sector etc. and infrastructural constraints. During April, 1997 the transporaters strike seems to have affected movement of export shimpment and the consequent export growth.

(c) Yes, Sir.

(d) The problems faced by exporters include domestic and international factors such as change in pattern of demand for India's export products, general slow-down in world export growth and decline in imports growth of some trading partners, non-tariff barriers etc.; sectoral problems are also faced by exporters on such as quantitiative ceilings on export of commodities, high transaction costs and infrastructural inadequacies.

(e) The restoration of 80 HHC benefits in terms of income tax exemption of export profits is expected to strengthen the incentives and competitiveness of exports. The simplification, transparancy and automaticity introduced in the new Exim Policy provides a hassle-free trading environment in which the exporters can concentrate on manufacturing & marketing of their products. The setting up of the Export Promotion Board would help resolving inter-Ministerial issues and give a national priority thrust to export efforts. Export promotion is a continuous process & necessary a steps are continuously being taken by the Government to improve export growth in consultation with trade and industry.

Diversification of MMTC's projects in Orissa

671. SHRI RAHASBIHARI BARIK: Will the Minister of COMMERCE be pleased to state:

(a) whether MMTC has now diversified its activities;

(b) if so, the new area taken up by MMTC in Orissa;

(c) whether some steel projects are proposed to be set up by MMTC in Orissa;

(d) if so, the areas identified for the purpose; and

(e) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) to (e) Yes, Sir. MMTC propose to invest in the equity participation for setting up an Integrated Iron & Steel Plant *i.e.* Neelachal Ispat Nigam Limited (NINL) at Kalinganagar, Jaipur Dist., Orissa for production of 1.1 million tonnes steel wire rods, steel billets and pig iron per annum with the other promotoers, *i.e.* Govt, of Orissa, MECON and with some foreign investors. The estmiated project cost is Rs. 1510/crores.

MMTC also proposes to take up an equity for setting up a plant for manufacture of Blast Furnance (BF) grade metallurgical coke with an installed capacity of 8.82 lakh tonnes per annum at Kalinganagar, Dist. Jaipur, Orissa in the same complex as NINL. The Project cost is estimated at Rs. 480/-crores.

Setting up of a committee to restructure the MMTC and STC

672. SHRI JAYANT KUMAR MALHOUTRA:
SHRI GYAN RANJAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government have set up Committee to restructure the operations of MMTC and State Trading Corporation (STC) as part of efforts to eventually merge the two public sector trading houses;